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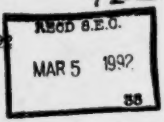

FORM 10-Q
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

(x) Quarterly Report Under Section 13 or 15(d) of The Securities Exchange Act of 1934

For the Quarterly period Ended: January 31,1992
OR
( ) Transition Report Under Section 13 or 15(d) The Securities Exchange Act of 1934

Commission File Number 0-2825

SWISS CHALET, INC.
(Exact name of Registrant as specified in its charter)

COMMONWEALTH OF PUERTO RICO	66-020-0307
(State or other jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

105 De Diego Avenue
Santurce, Puerto Rico 00911
(Address of pricipal executive offices) (Zip Code)

(809) 721-1200
(Registrant's telephone number, including area code)

Unchanged
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES_x__ NO_____

Indicate by check mark whether the Registrant has filed all documents and reports required to be filed by Sections 12, 13, or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

YES_x__ NO____

Indicate the number of shares outstanding of each of the issuer's classes of Common Stock as of the latest practical date:

Number of shares of Common Stock outstanding at January 31, 1992:
1,441,865

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL INFORMATION

SWISS CHALET, INC.

CONDENSED STATEMENTS OF INCOME

FOR THE NINE MONTHS ENDED JANUARY 1992 and 1991

(UNAUDITED) - NOTE A

	NINE MONTHS ENDED JANUARY 31		THREE MONTHS ENDED JANUARY 31	
	1992	1991	1992	1991
Net Sales and Other Income	$ 2,875,444	$ 2,858,678	$1,113,160	$1,103,247
Insurance Claim	-	9,250	-	-
TOTAL INCOME	$ 2,875,444	$ 2,867,928	$1,113,160	$1,103,247
Costs and Expenses				
Costs of Sales	70,364	66,233	23,752	26,928
Operating Expenses and other deductions	2,164,106	2,123,887	764,554	776,153
Interest Expenses	62,725	28,686	18,942	19,092
NET INCOME	$ 578,249	$ 649,122	$ 305,912	$ 281,074
Weighted Average Number of Common Shares Outstanding	1,478,914	1,720,173	1,461,332	1,497,918
NET INCOME PER SHARE	0.39c	0.38c	0.21c	0.19c

SWISS CHALET, INC.
CONDENSED BALANCE SHEETS
JANUARY 31,1992 AND APRIL 30,1991
(UNAUDITED) - NOTE A

	JANUARY 31 1992	APRIL 30 1991
ASSETS		
CURRENT ASSETS		
Cash	$ 196,975	$ 577,378
Accounts Receivable, Net	357,135	392,210
Inventories	15,947	35,305
Other Current Assets	41,434	15,179
TOTAL CURRENT ASSETS	$ 611,491	$ 1,020,072
INVESTMENT IN CONDOMINIUM AND LAND		
PROPERTY, PLANT AND EQUIPMENT, Net	3,661,058	3,882,672
OTHER ASSETS	20,675	17,677
TOTAL ASSETS	$ 4,293,224	$ 4,920,421
LIABILITIES AND SHAREHOLDER'S EQUITY		
CURRENT LIABILITIES		
Current Maturities of Long Term Debt	$ 574,947	$ 430,011
Accounts Payable and Accrued Expenses	483,386	577,632
Dividends Payable	127,653	618,917
TOTAL CURRENT LIABILITIES	$ 1,185,986	$ 1,626,560
LONG TERM DEBT,LESS CURRENT MATURITIES AND DEFERRED LIABILITIES	$ 435,847	$ 750,277
SHAREHOLDER'S EQUITY		
Common Stock at stated value	$ 720,933	$ 743,853
Additional paid in capital	3,750	3,750
Retained Earnings	1,946,708	1,795,981
	$ 2,671,391	$ 2,543,584
TOTAL LIABILITIES	$4,293,224	$ 4,920,421

SWISS CHALET, INC.

CONDENSED STATEMENTS OF CHANGES IN FINANCIAL POSITION
FOR THE SIX MONTHS ENDED JANUARY 31,1992 AND 1991
(UNAUDITED) - NOTE A

	NINE MONTHS ENDED JANUARY 31	
	1992	1991
SOURCES OF FUNDS		
From Operations	$ 578,249	$ 649,122
From Stockholder Loans		683,649
USE OF FUNDS		
Interim Dividend	(221,238)	(223,171)
Reduction of Long Term Debt	(314,430)	
Additions to Property, Plant and Equipment (Net)	221,614	80,904
Purchase of Common Stock	(229,205)	1,717,475
Other Uses of Funds	(2,997)	(1,064)
CHANGE IN WORKING CAPITAL	$ 31,993	$(528,035)

SWISS CHALET, INC.

NOTES TO CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

NOTE A - BASIS OF PRESENTATION

The accompanying unaudited Condensed Financial Statements have been prepared in accordance with the instructions to Form 10-Q and, therefore, do not include all information and footnotes necessary for a fair presentation of financial position in conformity with generally accepted accounting principles. The unaudited Condensed Financial Statements contain all adjustments (consisting only of normal recurring adjustments) which are, in the opinion of Management, necessary to a fair statement of the results for the period presented. The interim results are not necessarily indicative of the results which may be expected for the full year. The subject Condensed Financial Statements should be read in conjuction with the summary of significant accounting policies set forth in Note 1 to the Financial Statements included in the Company's Annual Report to Shareholders for the year ended April 30,1991.

NOTE B - PROVISIONS FOR INCOME TAX

Local Income Tax is not provided for until the year end, however, if such provision had been made it would have amounted to less than $20,000.00 for the three month period.

NOTE C - REORGANIZATION UNDER CHAPTER XI

On June 14,1985, the Plan of Reorganization of the Company was confirmed by the Federal Bankruptcy Court. Details of the Plan have been previously reported in Forms 10-K and 8-K already in file.

PART I

SWISS CHALET INC.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is Management's discussion and analysis of certain significant factors which have affected the Company's earnings during the periods included in the accompanying Condensed Statements of Income.

A summary of the period to period changes in the principal items included in the Condensed Statement of Income is shown below:

	NINE MONTHS ENDED JANUARY 31		THREE MONTHS ENDED JANUARY 31	
	INCREASE (DECREASE)	%	INCREASE (DECREASE)	%
Net Sales and Other Income	$ 16,766	0.6	$ 9,913	0.6
Insurance Claim	(9,250)	(N/A)		
Cost of Sales	4,131	6.2	(3,176)	(11.8)
Operation Expenses and Other Deductions	40,219	1.8	(11,599)	(1.5)
Interest	34,039	118.7	(150)	0.8
Net Income	(70,873)	(10.9)	24,838	8.8

The results of the operation for the Quarter ended January 31 1992 reflect a 4.0% drop in occupancy from the prior year while the average rate rose 2.7% .These changes resulted in virtually flat revenues from room sales during the period. The rental of the restaurant area to Montenegro Inc. provided an increase of $30,000 during the current quarter in "Other Income". The rise in Interest Expense in the nine month period is directly attributable to the stockholder loans associated with the purchase of Company stock in November and December 1990.

The Company's primary source of working capital is from funds provided from operations. Working capital increased over the first nine months by $ 31,993. The Company believes that its excess cash from operations will be sufficient to finance its long and short term capital needs including the payment of accrued dividends and, should a temporary need occur, such as that which occurred as a result of the stock purchases (see below) in December and January of this year, two of the Company's Stockholders have granted the Company a $200,000 line of credit.

PART II

5. OTHER INFORMATION

In October 1990 the purchase of the stock of Mr. John Bradley, a longstanding member of the Board and its current Vice Chairman and Secretary, was approved by the Stockholders. This transaction was reported in detail in the 10Q filed for July 31 1990 and subsequent reports. On November 1 1990 the Company paid Mr Bradley the sum of $468,210 and signed a Note for $1,000,000 payable in 36 equal monthly installments of principal and interest of 8% per annum in payment for 293,642 shares at $5 per share. A similar offer was extended to other stockholders and, holders of 49,853 shares tendered them to the Company and received either cash (200 shares or less) or the same payment terms as Mr. Bradley (over 200 shares).

A further offer to Stockholders was made in October 1991 again at a price of $5 per share which was held open until January 31 1992. At the time of this Report 45,906 shares had been purchased in this manner.

6. EXHIBITS AND REPORTS ON FORM 8K

NONE

SWISS CHALET, INC.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its be half by the undersigned thereunto duly authorized.

SWISS CHALET, INC.

DATE: _____ BY: _____
GUSTAVO VELEZ-TORO
Executive V.P. and
Chief Operation Officer

DATE: 2/26/92 BY: _____
PETER D. SOMECH
Controller and Principal
Financial Officer